

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ASSURED GUARANTY MUNICIPAL CORP.,
f/k/a FINANCIAL SECURITY ASSURANCE,
INC.

Plaintiff,
vs.

FLAGSTAR BANK, FSB; FLAGSTAR
CAPITAL MARKETS CORPORATION; and
FLAGSTAR ABS, LLC

Defendants.

Case No.: 11-CIV-2375 (JSR)

**DECLARATION OF VERONICA E. RENDÓN IN SUPPORT OF
FLAGSTAR BANK, FSB, FLAGSTAR CAPITAL MARKETS CORPORATION, AND
FLAGSTAR ABS, LLC's MOTION TO DISMISS THE COMPLAINT**

VERONICA E. RENDÓN declares:

1. I am an attorney admitted to the Bar of the State of New York and the Bar of this Court, and I am a member of the law firm of Arnold & Porter LLP, attorneys for defendants Flagstar Bank, FSB, Flagstar Capital Markets Corporation, and Flagstar ABS (collectively, "Flagstar"). I submit this declaration in support of defendants' motion to dismiss the Complaint.
2. Attached hereto as Exhibit A is a true and correct copy of the Complaint in this matter, filed on April 7, 2011.
3. Attached hereto as Exhibit B is a true and correct copy of excerpts from Flagstar's Form 10-K Annual Report for the fiscal year ended December 31, 2010.
4. Attached hereto as Exhibit C is a true and correct copy of excerpts from Flagstar's Form 10-K Annual Report for the fiscal year ended December 31, 2005.
5. Attached hereto as Exhibit D is a true and correct copy of excerpts from the Flagstar Home Equity Loan Trust 2005-1 Offering Circular, dated December 6, 2005.

6. Attached hereto as Exhibit E is a true and correct copy of excerpts from Flagstar's Form 10-K Annual Report for the fiscal year ended December 31, 2006.
7. Attached hereto as Exhibit F is a true and correct copy of excerpts from Flagstar Home Equity Loan Trust 2006-2 Offering Circular, dated December 19, 2006.
8. Attached hereto as Exhibit G is a true and correct copy of the Flagstar Home Equity Loan Trust 2006-2 Indenture, dated December 21, 2006.
9. Attached hereto as Exhibit H is a true and correct copy of two letters dated April 17, 2009, from Errol Uhr, Managing Director of Financial Security Assurance Holdings, Ltd. ("FSA") to Flagstar Bank.
10. Attached hereto as Exhibit I is a true and correct copy of two letters dated January 13, 2009, from Errol Uhr, Managing Director of FSA, to the Chief Legal Officer of Flagstar Bank, FSB.
11. Attached hereto as Exhibit J is a true and correct copy of two letters dated July 9, 2010, from Linda Kobrin, Director of Loss Mitigation at Assured Guaranty Municipal Corp. ("Assured"), to the Chief Legal Officer of Flagstar Bank, FSB.
12. Attached hereto as Exhibit K is a true and correct copy of an email dated July 28, 2009, from Jo M. Sopha, Vice President of Flagstar's Repurchase Department, to Linda Kobrin, Director of FSA.
13. Attached hereto as Exhibit L is a true and correct copy of a letter titled "Flagstar Home Equity Loan Trusts 2006-2," dated November 30, 2010, from Jo Sopha, Manager of Flagstar's Repurchase Department, to Linda Kobrin at Assured.

14. Attached hereto as Exhibit M is a true and correct copy of the executed Purchase Agreement of the Flagstar Home Equity Loan Trust 2006-2 Asset Backed Notes, dated December 21, 2006.

15. Attached hereto as Exhibit N is a true and correct copy of the executed Sale and Servicing Agreement of the Home Equity Loan Asset Backed Notes, Series 2006-2, dated December 21, 2006.

16. Attached hereto as Exhibit O is a true and correct copy of the Glossary of Defined Terms for the Flagstar Home Equity Loan Trust 2006-2 Indenture.

17. Attached hereto as Exhibit P is a true and correct copy of the executed Insurance and Indemnity Agreement between FSA and Flagstar, dated December 21, 2006.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 23, 2011



Veronica E. Rendón